



Interoffice Memorandum

filed 8-1-00
EUD to proceed with prep of
environ. docs on transmission line

DATE: 07-31-2000
TO: NCPA Members
FROM: NCPA Central Dispatch Center
SUBJECT: ISO System Emergency Notification

Second Notice of "Stage 2 Emergency"

The California Independent System Operator has implemented STAGE 2 of the Electrical Emergency Plan. The Plan has been implemented as follows:

Effective Date and Time: 07-31-2000 at 14:54
Effective Hours: Approximately 04 hours. (HE1500 through HE1900)
Reason(s): Second Stage 2 notice
Your response: **PG&E requests NCPA achieve 3MW total voluntary load curtailment. NCPA requests Palo Alto and Roseville each implement 1.5MW each.**

Participating transmission owners are to notify the Utility Distribution Companies within their operational areas.

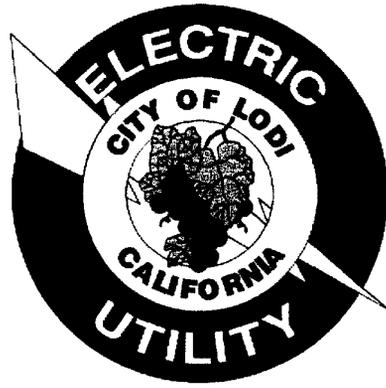
STAGE 2: Operating reserves are expected to fall below 5%. The UDC will implement interruptible service programs as directed by the ISO and will take all additional actions necessary in preparation for immediate implementation of electrical emergency plans and await further orders from the ISO.

This message is from Market Operations (916-351-2494) at the California ISO.

Please call Central Dispatch at (916) 786-3518 or Al Parsons at 916-781-4225.

updated 13-1-00

SUSAN BLACKSTON



TRANSMISSION LINE

SPECIAL MEETING

AUGUST 1, 2000

ALAN N. VALLOW
ELECTRIC UTILITY DIRECTOR

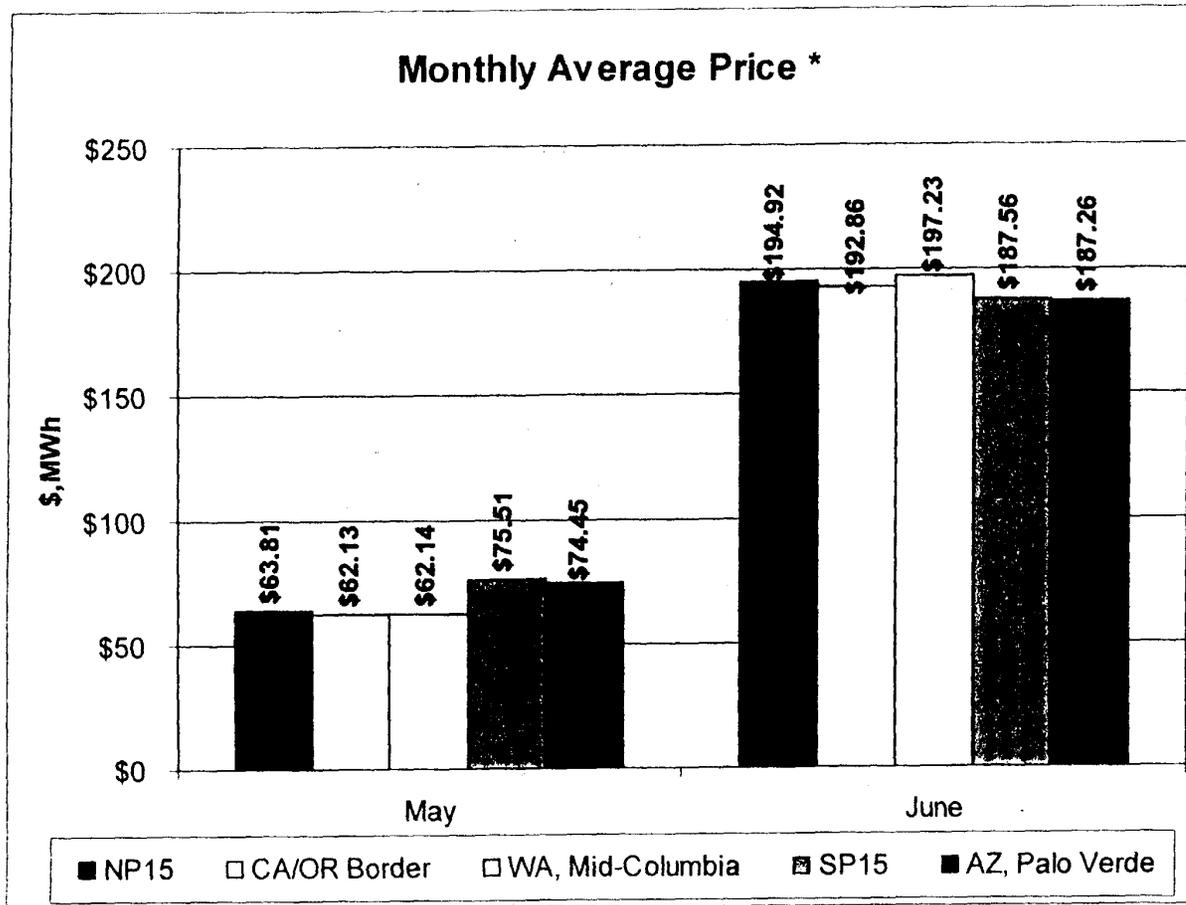
	Lodi Share of NCPA Pool Expenses	Total NCPA Pool Savings over Market (\$M)	Lodi Share of NCPA Pool Savings (\$M)
Mar	20.86%	2.9	0.60
Apr	18.84%	3.4	0.64
May	23.32%	12.9	3.01
Jun	19.75%	21.5	<u>4.25</u>

\$ 8.50 M in BulkPurchased Power Purchase savings
 plus
 ~\$0.8 M for CY1998 RMR payments
 plus
 ~\$0.5 M for CY1999 RMR payments
 plus
 \$0.8M CY2000 RMR payments
 plus
 ~\$1 M for CY2000 Auxilliary Service payments through June 2000

==> or a difference of about \$11.6M to Lodi's power bill had we been using the market instead of our own resources.



CalPX and Bilateral Market Indices



The CalPX prices are in line with price indices for May and June in the Western U.S.

* NP15 & SP15 prices are simple average of hours ending 7AM - 10PM, Monday through Friday, excluding holidays. Remaining locations are from MW Daily Wtd. Avg. Index, Monday through Friday, excluding holidays.

Lodi Interconnection Project

- **Increased Reliability**
 - Full transformer and transmission line redundancy
 - Added generation capacity from the west
 - Unloads PG&E system improving Lodi area reliability
- **Electric System Studies - Western**
 - Improves 27 system elements of 36 presently overloaded
 - 16 MW load reduction vs. loss of entire City for N-1

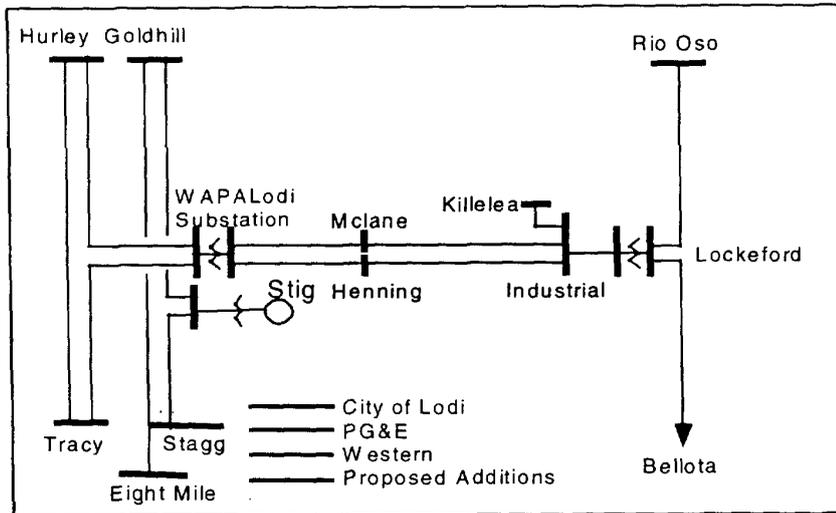
LODI INTERCONNECTION PROJECT

The proposed Interconnection project will connect Lodi's electric system with the 230kV Transmission System to the West of Interstate 5. This project will provide many benefits to Lodi and the surrounding community.

- 1) The Western Area Power Administration (Western) has performed electric system studies to identify the impacts of the proposed interconnection. The study uses the latest data and criteria available provided by PG&E and the Sacramento Area Study Group. The Lodi Interconnection Study Final Report is dated June 5, 2000. The study results include the following benefits:**
- 2) Increased reliability and operational flexibility with the addition of the Interconnection.**
- 3) Increased ability for Lodi to serve electrical loads in the western part of Lodi's service area.**
- 4) Taking service at 230kV from Western may prove to be more economical than relying totally on a 60kV interconnection with PG&E.**

Rec'd 6-20-00

Lodi Interconnection Studies



Final Report

June 5, 2000

Prepared By

**Western Area Power Administration
Sierra Nevada region Office
Folsom, CA**

Contingency Analysis

There are 36 overloaded elements (loading in excess of 100%) in the base case before modeling the new interconnection between City and Western. Of these 36 elements, four remain unchanged, 27 will improve and five will get worse. The following tables show the comparison in the loading of transmission lines and transformers before and after this interconnection for base case and n-1 contingencies for some selected elements. The complete tables are in the Appendix IV. As shown in these tables the City's interconnection to Western has a marginal effect on these overloads and the overloads are mostly improved. There are five elements with increases in their overloads; of these five elements, the worse overloads are Bellota 230/115-kV transformer by 1.62% and Tracy 500/230-kV transformer by 1.4%. Another group is addressing the Tracy transformer overload.

Table III

Selected Base Case Overloads With and Without City Connected to Western 230-kV and Up						
From	kV	To	kV	% Loading W/O	% Loading W	Change in % Loading **
BLLTA 1M	230	BELLOTA	115	116.51	118.13	1.62
TRACY	500	TRCY PMP	230	116.32	117.72	1.4
TESLA 2M	500	TESLA E	230	105.8	105.35	-0.45
TESLA	500	TESLA 2M	500	102.44	101.97	-0.47
RIO OSO	230	TBL MT D	230	102.31	100.86	-1.45

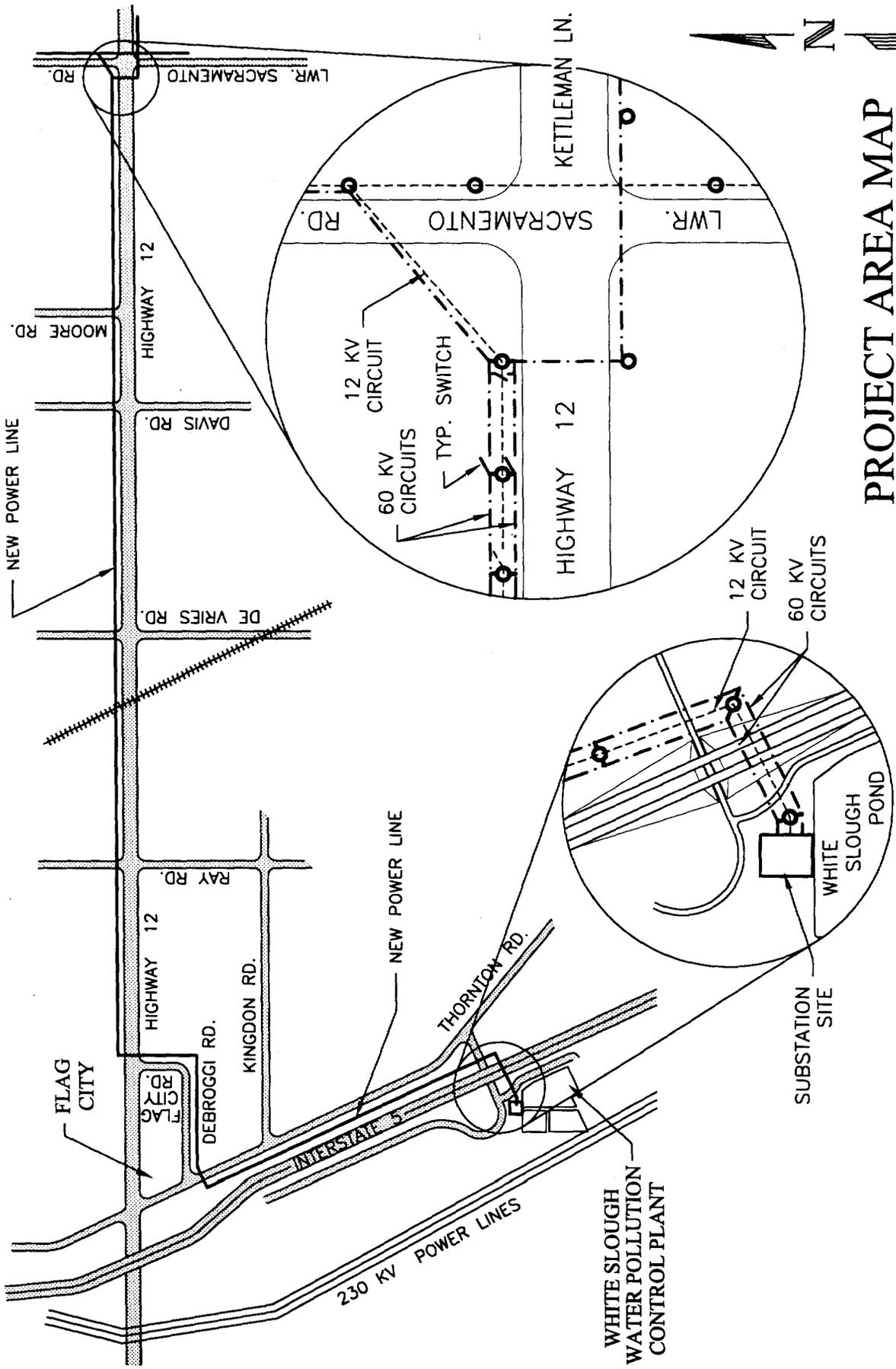
** : Positive numbers mean increase in loading and negative numbers show the decrease.

In the 115 and 60-kV categories all of the overloads are marginally improved by this interconnection as shown in table IV.

Table IV

Base Case Overloads Comparison, With and Without City Connected to Western 115-kV and Below						
From	kV	To	kV	% Loading W/O	% Loading W	Change in % Loading **
LODI	60	CLNY JCT	60	118.6	118.31	-0.29
PANOCHÉ	115	PANOCHÉJ	115	110.8	110.36	-0.44
VACA-DIX	115	VACA-DXN	60	107.86	107.86	0
DELTA	115	CASCADE	115	100.96	100.97	0.01
DELTA	115	CASCADE	115	100.96	100.97	0.01

** : Positive numbers mean increase in loading and negative numbers show the decrease.



PROJECT AREA MAP

EXHIBIT A



District

Chamber of Commerce

June 17, 1998

Alan Vallow
City of Lodi
212 W. Pine Street
Lodi, CA 95240

Subject: Alternative Power Sources for Lodi

Subsequent to your meeting with the Agribusiness Committee, the committee approached the board of directors asking that we form a task force to meet with you in order to explore alternative routes for bring power into the west side of Lodi.

The following motion was passed at our board meeting on June 16, 1998.

"The Lodi District Chamber of Commerce recognizes the need to study the routing plans for an alternative electric power source and therefore has formed a task force to meet with the City to help in the determination of an acceptable route."

The committee will consist of six members representing industry, agriculture, economic development and small business. John Ledbetter will chair the committee. It is our hope that we will be able to work with you in determining some alternatives that will bring power to Lodi at a reasonable cost and meet some of the concerns of agriculture and tourist interests.

Very truly yours,

Anthony Trassare
Chairman, Board of Directors

ALTERNATIVE POWER COMMITTEE
SCHEDULE OF MEETINGS HELD

August 25, 1998

September 8, 1998

September 22, 1998

October 13, 1998

November 24, 1998

January 29, 1999

February 24, 1999

May 6, 1999

August 24, 1999

October 21, 1999

April 25, 2000

July 5, 2000

Pacific Bell
2300 E Eight Mile Rd.
Stockton, Ca 95207

City of Lodi, Attn. Hans Hansen
1331 S. Ham Lane.
Lodi, Ca 95242-3995

November 4, 1998

Re: Pacific Bell Facilities Relocation (aerial to underground relocation) - along Hwy. 12 from Lower Sacramento Rd. to Ray Rd.

Dear Mr. Hansen,

Pacific Bell has proceeded with your requests to provide an estimate on the costs involved with undergrounding aerial facilities along Highway 12 from Lower Sacramento Rd. to Ray Rd. The estimated cost of this project would be approximately \$901,257.29.

The cost estimate being provide to you is only an estimate, and was based on measurements taken in the field. Included in the costs are all labor and material associated with the replacement of all existing facilities and service's. A separate cost for a joint undergrounding was not provided, instead the cost of a typical joint trench to Pacific Bell was used in the estimate.

We look forward to working with you on this project and hope that the information provided will aid you in your decisions. Should you have any further questions regarding this estimate or this project please feel free to contact either myself or Helen Hoskins, Engineering Manager at 209-474-4760.

Sincerely,



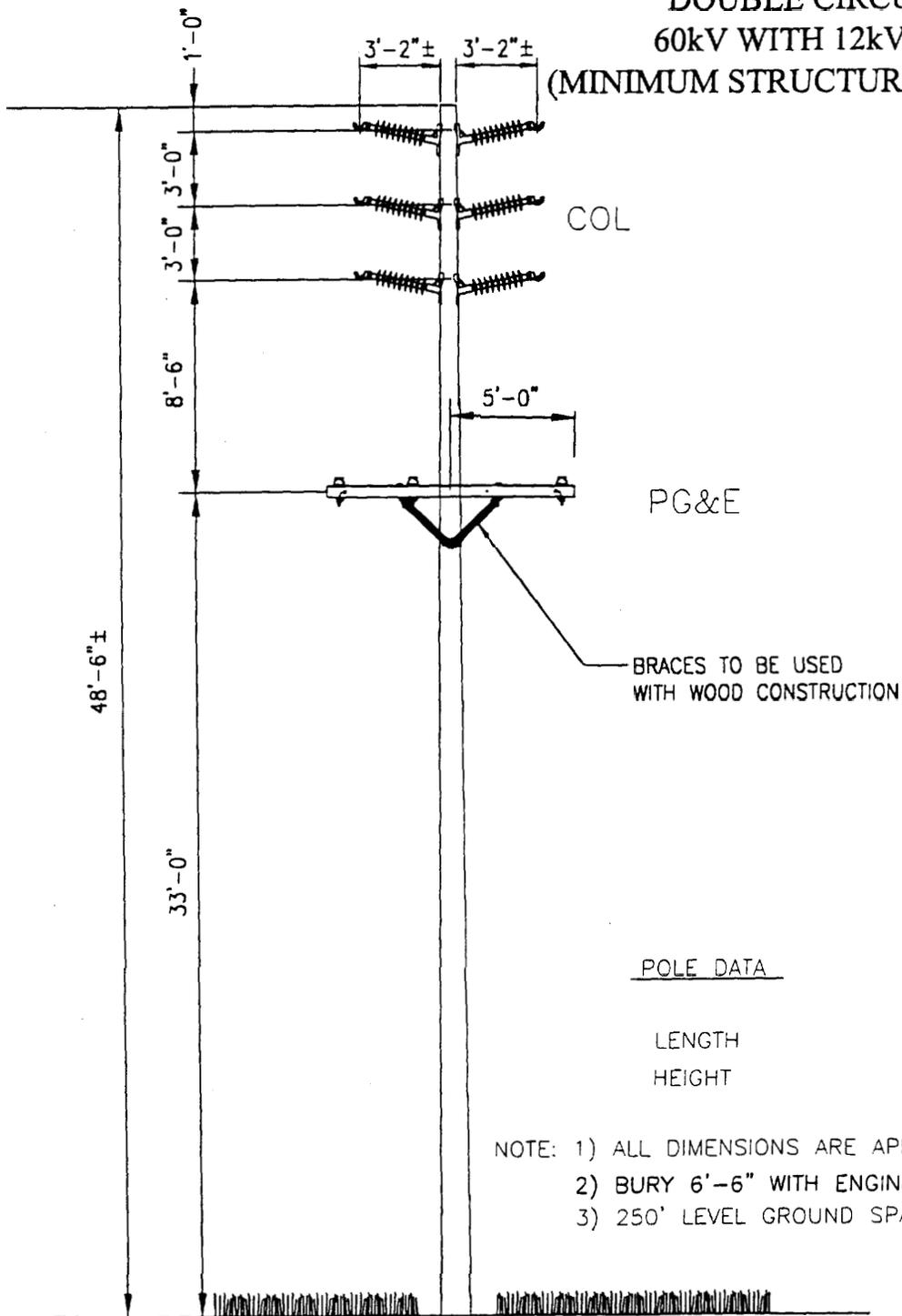
Abe Rodriguez
(209)474-4061
Pacific Bell Design Engineering

TRANSMISSION LINE ESTIMATED BUDGET

OVERHEAD LINE - 6.2 MILES	\$1.8 M
UNDERGROUND LINE - 0.8 MILES	\$1.96 M
LANDSCAPING - HWY 12	\$0.6 M
UNDERGROUND EXISTING PACIFIC BELL CABLES	\$0.9 M*
SUBSTATION	<u>\$9.2 M</u>
TOTAL	<u>\$14.5 M</u>

* Pacific Bell Estimate Dated November 4, 1998

DOUBLE CIRCUIT
60kV WITH 12kV UB
(MINIMUM STRUCTURE HEIGHT)



POLE DATA

	WOOD
LENGTH	55'
HEIGHT	48'-6"

- NOTE: 1) ALL DIMENSIONS ARE APPROXIMATE
2) BURY 6'-6" WITH ENGINEERED BACKFILL.
3) 250' LEVEL GROUND SPAN.

The Electric Utility Department requests the following action by motion:

That City of Lodi staff is hereby directed to commence the environmental process necessary to design, construct, and operate a 60kV transmission project as outlined today.